

# EUCALYPTUS GROVES

## FINANCIAL & BUDGET

	2003 BUDGET	"Projected" 2002 ACTUAL	2001 ACTUAL	2000 ACTUAL	1999 ACTUAL
-- REVENUES --					
OWNER ASSESSMENTS	\$504,780.00	\$427,452.00	\$381,269.21	\$348,105.01	\$321,739.59
SPECIAL ASSESSMENT	0.00	0.00	0.00	3,216.20	82,559.80
INTEREST INCOME	7,000.00	9,000.00	14,811.99	18,799.14	13,025.89
OTHER INCOME	0.00	900.00	1,675.53	1,952.95	1,331.99
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<b>TOTAL REVENUE</b>	<b>\$511,780.00</b>	<b>\$437,352.00</b>	<b>\$397,756.73</b>	<b>\$372,073.30</b>	<b>\$418,657.27</b>
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-- EXPENDITURES --					
CLEANING	\$8,000.00	\$6,500.00	\$8,979.00	\$6,645.00	\$7,935.00
ELECTRIC	18,400.00	18,100.00	18,636.96	14,849.08	14,712.49
LANDSCAPING	57,000.00	56,200.00	43,156.60	54,527.68	50,697.60
LANDSCAPING SUPPLY/EXTRAS	10,000.00	5,000.00	15,620.00	5,154.79	5,560.00
MANAGEMENT	20,244.00	19,656.00	18,900.00	18,360.00	17,904.00
PAINTING	1,000.00	1,000.00	1,781.42	2,127.69	186.97
POOL MAINT & SUPPLIES	11,000.00	10,000.00	10,592.13	8,239.77	8,733.77
POOL HEATING (GAS)	8,000.00	6,400.00	7,414.01	4,193.05	4,896.20
REPAIRS & MAINT	100,000.00	140,000.00	96,324.87	116,941.64	121,549.56
RUBBISH REMOVAL	45,000.00	42,300.00	39,397.74	37,357.19	29,161.42
PATROL/ALARM SERVICES	0.00	0.00	0.00	4,144.00	3,773.83
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SUPPLIES	2,500.00	2,200.00	894.84	4,743.34	1,809.51
WATER & SEWER	12,000.00	11,200.00	9,675.43	12,095.89	10,565.32
INSURANCE	70,000.00	66,400.00	60,321.75	75,508.60	35,961.15
PEST CONTROL	2,000.00	3,000.00	498.00	705.00	259.00
PROFESSIONAL FEES	1,200.00	910.00	1,955.00	1,475.00	2,074.00
TELEPHONE (ENTRY GATE)	600.00	500.00	432.72	514.87	524.48
TAXES	2,500.00	1,705.00	3,954.00	1,740.00	2,250.00
MISCELLANEOUS	5,000.00	1,000.00	890.82	304.98	2,318.92
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<b>TOTAL</b>	<b>\$374,444.00</b>	<b>\$392,071.00</b>	<b>\$339,425.29</b>	<b>\$369,627.57</b>	<b>\$320,873.22</b>
Reserve Expenditures	167,900.00	44,200.00	42,358.00	16,112.96	21,804.81
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<b>TOTAL EXPENDITURES</b>	<b>\$542,344.00</b>	<b>\$436,271.00</b>	<b>\$381,783.29</b>	<b>\$385,740.53</b>	<b>\$342,678.03</b>
RESERVE Increase (Decrease)	(30,564.00)	1,081.00	15,973.44	(13,667.23)	75,979.24
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<b>TOTAL FUNDS NEEDED</b>	<b>\$511,780.00</b>	<b>\$437,352.00</b>	<b>\$397,756.73</b>	<b>\$372,073.30</b>	<b>\$418,657.27</b>
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**MONTHLY FEES:** In order to meet this budget, the monthly fees (assessments) will be:

(179 Units)

**\$235.00 EFFECTIVE JANUARY 1, 2003**

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Note: Units paying fees after the 15th day of the Month, will be charged a late charge of 10% of the amount due

**SPECIAL ASSESSMENT:** No Special Assessment is anticipated in 2003.

"Projected"				
<b>FUNDS AVAILABLE:</b>	CalFed Bank	\$63,000.00		
12/31/02	1st Bank	95,500.00		
	Goleta Nat Bank	120,500.00		
	Palomar bank	82,000.00		
	Operating Account	5,000.00	TOTAL	\$366,000.00
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# **EUCALYPTUS GROVES (Cont)**

## **MAJOR REPAIRS AND REPLACEMENTS:**

The following cost estimates and reserve analysis is based on a reserve study which is reviewed by the Board of Directors each year to account for inflation and planning changes:

ITEM-Expected Life	EXPECTED DATE DUE	EXPECTED COST	REQUIRED IN RESERVE 12/31/02	BALANCE NEEDED	2003 ADDITIONS	PROJ. BAL. 12/31/03
Paint Wood/Metal Trim -4	2003	45,500	45,500	0	(45,500)	0
Tree Trimming -3	2003	15,000	15,000	0	(15,000)	0
Spa Retime-18	2003	3,000	3,000	0	(3,000)	0
Stair Landing Reseal-4	2003	5,200	5,200	0	(5,200)	0
Paint - Wood Siding -8	2003	96,000	96,000	0	(96,000)	0
Exercise Room Equip. - 15	2003	3,200	3,200	0	(3,200)	0
Paint Front Wood Fence - 8	2004	4,200	3,675	525	525	4,200
Paint Carports - 8	2004	48,000	42,000	6,000	6,000	48,000
Pool Pump - 8	2005	800	500	300	100	600
Pool Tile/Coping - 20	2005	2,000	1,700	300	100	1,800
Cabana Floor Tile-20	2005	2,300	1,955	345	115	2,070
Termite Fumigation (Bal)-20	2005	44,000	39,600	4,400	2,200	41,800
Paint Metal Fence & Rail - 4	2006	3,600	0	3,600	900	900
Intercom -15	2006	3,000	2,200	800	200	2,400
Card Readers/Buzzers - 15	2006	4,000	2,834	1,166	167	3,001
Asphalt Seal Coat/Repair-4	2007	20,000	0	20,000	5,000	5,000
Stair Landing Resurface -20	2007	33,800	25,350	8,450	1,690	27,040
Mailbox Pagodas - 15	2007	7,800	5,205	2,595	519	5,724
Gate Operator (Slide) - 10	2008	2,500	1,000	1,500	250	1,250
Pool Heater - 10	2008	2,500	1,000	1,500	250	1,250
Spa Heater - 10	2008	2,500	1,000	1,500	250	1,250
Spa Pumps - 8	2008	1,600	400	1,200	200	600
Gate Operator (Slide) - 10	2010	2,500	500	2,000	250	750
Stair Rails (3.5') -25	2010	8,500	5,780	2,720	340	6,120
Split Rail Fence-25	2010	3,600	2,448	1,152	144	2,592
Pool Filter - 12	2010	1,400	467	933	117	584
Spa Filter - 12	2010	1,400	467	933	117	584
Asphalt Overlay-25	2010	84,000	57,120	26,880	3,360	60,480
Metal Pool Fence (4')-25	2010	3,400	2,312	1,088	136	2,448
Roof Shingle-25	2010	262,500	178,500	84,000	10,500	189,000
Pool Replaster -12	2013	5,500	458	5,042	458	916
Cabana Water Htr. - 12	2013	2,000	1,000	1,000	167	1,167
Cabana Wall Tile-30	2015	4,200	2,380	1,820	140	2,520
Cabana Sauna/Bath Remodl-30	2015	3,000	1,700	1,300	100	1,800
Lights-Street Fixtures - 30	2015	14,000	7,934	6,066	467	8,401
Gutters/Downspouts-30	2015	28,000	15,866	12,134	933	16,799
Roof - Metal Carport-30	2015	82,500	46,750	35,750	2,750	49,500
Slide Gates - 25	2016	4,400	1,936	2,464	176	2,112
Sauna Heater -15	2016	1,900	127	1,773	127	254
Front Wood Fence - 25	2016	12,000	5,280	6,720	480	5,760
Termite Fumigation (7606)-20	2019	4,800	480	4,320	240	720
Termite Fumigation (7630)-20	2020	4,800	720	4,080	240	960
Termite Fumigation (7634)-20	2021	4,800	240	4,560	240	480
Termite Fumigation (7620)-20	2022	5,400	0	5,400	270	270
Bridge Repair-30	2032	16,000	533	15,467	533	1,066
Reserve Surplus (Shortage)			(263,317)	263,317	96,585	(166,732)
<b>TOTALS</b>		<b>\$911,100</b>	<b>\$366,000</b>	<b>\$545,100</b>	<b>(\$30,564)</b>	<b>\$335,436</b>

Ratio of actual cash reserves on hand to estimated cash reserves currently required

58.2%

Projected Ratio at Year-End

66.8%

## EUCALYPTUS GROVES (Cont)

**DELINQUENCY & LIEN POLICY:** Unless otherwise stated all fees and assessments (including special assessments) are due on the first day of each month, in advance, and shall be delinquent 15 days after the due date. A late charge of 10% of the delinquent fee or assessment will be charged and added to the amount due. If fees, assessments, and/or late charges are unpaid at the end of any given month, a lien will be filed against the delinquent unit for the full amount due plus applicable interest, attorney fees, lien filing costs and other costs of collection. If the balance due is not paid within thirty (30) days after the lien is filed, the Association may take all any and all actions permitted by law including, but not limited to, filing suit and/or foreclosing the lien.

**PRIOR ADR REQUIRED:** Each year the association is required to disclose that before an association or member files a lawsuit to enforce the governing documents, (other than for the collection of assessments), the parties must attempt to resolve the dispute by use of Alternative Dispute Resolution. "Failure of any member of the Association to comply with the prefiling requirements of Section 1354 of the Civil Code may result in the loss of your rights to sue the association or another member of the association regarding enforcement of the governing documents."

**INSURANCE:** California Civil Code Section 1365 requires an annual insurance disclosure of the Association's insurance as follows:

**GENERAL LIABILITY INSURANCE:**

**Company:** Allstate Insurance Company

**Coverage:** \$2,000,000 Per Occurance

**Umbrella:** \$1,000,000 Per Occurance

**Anniversary Date:** November 15th

**Deductible:** None

**Anniversary Date:** March 5th

**PROPERTY INSURANCE:**

**Company:** Allstate Insurance Company

**Coverage:** \$18,646,000

**Anniversary Date:** November 15th

**Deductible:** \$10,000

**EARTHQUAKE INSURANCE:**

**Company:** RLI & Westport Insurance Companies

**Coverage:** \$18,000,000

**Anniversary Date:** November 15th

**Deductible:** 5% of the Insurance Coverage

**FLOOD INSURANCE:** The Association has none.

This summary of the association's policies of insurance provides only certain information, as required by subdivision (e) of Section 1365 of the Civil Code, and should not be considered a substitute for the complete policy terms and conditions contained in the actual policies of insurance. Any association member may, upon request and payment of reasonable duplication charges, obtain copies of those policies. Although the association maintains the policies of insurance specified in this summary, the association's policies of insurance may not cover your property, including personal property, or real property improvements to or around your dwelling, or personal injuries or other losses that occur within or around your dwelling. Even if a loss is covered, you may nevertheless be responsible for paying all or a portion of any deductible that applies. Association members should consult with their individual insurance broker or agent for appropriate coverage.

**MINUTES AVAILABLE** Each year the Association is required to disclose that minutes for all Association or Directors' meetings are available to all owners. The cost, if any, of providing copies of the minutes is to be paid by the requester.

## **EUCALYPTUS GROVES (Cont)**

### **-- CURRENT NOTES --**

#### **IN 1999:**

1. Dryrot was repaired at units #105, 210, 211, 239, 302, 310, 311, 339, 342, 348, & 349 (Approx. \$75,700).
2. Building 7630 was fumigated for termites (Approx \$4,500).
3. Common decks were resurfaced at units 326, 327, 341 (Approx \$2,400).
4. Asphalt was sealed (Approx \$11,600).
5. Trees near 7602, 7606, & 7636 were trimmed (Approx \$2,800).
6. Because of unanticipated costs of correcting dryrot, a reserve shortfall existed at the end of the year. The Board has budgeted to eliminate the shortfall within three years.
7. Dry rot repair stairs, siding & decks #210, 302, & 310 (Approx \$28,000).
8. Common deck resurfaced at #358 & 359 (Approx \$1,050).
9. Trees trimmed around 7602, 7606, & 7636 (Approx \$2,800).

#### **IN 2000:**

1. Spa jet pumps replaced (Approx. \$1,600).
2. Gate operating system replaced (Approx \$3,300).
3. Dryrot repaired at #124, #314, #315, #316, & #317 (Approx \$41,300).
4. Building 7606 fumigated for termites (Approx \$4,900).
5. Main Sewer lines cleared (Approx \$3,000).
6. Fire extinguishers installed at all buildings required by fire dept. (Approx \$4,000).
7. Phone circuit board at entry gate replaced (Approx \$1,000).
8. Pool replastered (Approx \$5,400).
9. Dry rot repaired at #222, 322, 268 & 368 (Approx \$28,000).
10. Leaning and/or dead trees removed and replaced (Approx \$3,300).
11. New electric gate installed at pool (Approx \$2,600).

#### **IN 2001:**

1. Reserve study by J. D. Brooks (Approx \$1,100).
2. Dryrot repair at #255 & 256, 270 & 370, 312, 364 (Approx \$31,000).
3. Sauna heater replaces (Approx \$1,900).
4. Perimeter Fence Repaired (Approx \$2,200).
5. Bldg 7634 fumigated for termites (Approx \$5,000).
6. Painted metal fence at pool (Approx \$1,000) & handrails (Approx \$5,700).
7. Removed dead trees & planted new trees (Approx \$6,800).
8. Reroofed 3 mailbox structures (Approx \$1,200).
9. New reserve study showed reserve shortage. Board set policy to eliminate shortage within 3 years.
10. Remove dead trees and planted new (Approx \$20,800 of which \$8,900 to be paid in 2002).
11. New concrete walk installed at back of pool (Approx \$1,100).
12. Bank erosion repaired at 7640 (Approx \$9,100).
13. Dryrot siding repaired at #101, 201 & 301 (Approx \$24,900).
14. Foundation under #239 & #119 waterproofed (Approx \$11,500).
15. Reroofed section of 7626 #329 (Approx \$1,600 to be paid in 2002).

#### **IN 2002:**

1. Foundation of #256 underpinned (Approx \$4,800).
2. A section of roof at #329 replaced (Approx \$1,700).
3. Extra trim and siding purchased (Approx \$5,700).
4. Building 7620 fumigated for termites (Approx \$5,400).
5. Fence height around pool raised (Approx \$2,300).
6. Wrought iron throughout complex painted (Approx \$3,500).
7. Asphalt patched and slurry sealed (Approx \$23,700).
8. Dryrot repair to 213, 214, 231, 233, 313, 314, 333, 342, 343, 347, & 356 (Approx \$97,000).
9. Dryrot repair to bridge (Approx \$9,900).